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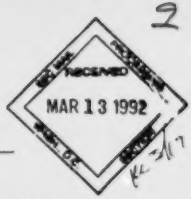

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

CGL-2228

For the quarter ended January 31, 1992
Commission file number 33-26616

BRIAN CAPITAL, INC.

Exact name of registrant as specified in it charter

Delaware	75-2256798
(State of incorporation)	(I.R.S. Employer ID Number)

1845 Precinct Line Road, Suite 100, Hurst, Texas 76054

(Address of principal executive offices)

(817) 498-8154

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for a shorter period that the registrant was required to file such report(s) and (2) has been subject to such filing requirements for the past ninety days. Yes X No

As of March 6, 1992, there were 2,000,000 shares of common stock, $0.001 par value, outstanding.

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BRIAN CAPITAL, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CONDITION
January 31, 1992 and October 31, 1991

	January 31 1992	October 31 1991
ASSETS:		
Current assets		
Cash	$428	$428
Total Current assets	$428	$428
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$6,768	$6,768
Total current liabilities	$6,768	$6,768
Stockholders' equity:		
Preferred stock, $0.001 par value, 2,000,000 shares authorized, none outstanding		
Common stock, $0.001 par, 20,000,000 shares authorized, 2,000,000 shares issued and outstanding	$2,000	$2,000
Additional paid-in capital	$21,937	$21,937
Accumulated deficit	$(30,277)	$(30,277)
Total stockholders' equity (deficit)	$(6,340)	$(6,340)
Total liabilities and stockholders' equity	$428	$428

The accompanying notes are an integral part of the financial statements

BRIAN CAPITAL, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF INCOME
for the three months ended January 31, 1992 AND 1991

	1991	1990
Administrative expenses	0	0
Net loss	0	0
Net loss per share	0.0000	0.0000
Average number of shares outstanding	2,000,000	2,000,000

The accompanying notes are an integral part
of these financial statements

BRIAN CAPITAL, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENTS OF CASH FLOWS
for three months ended January 31, 1992
and the year ended October 31, 1991

	Three Months Ended January 31, 1992	Year Ended October 31, 1991
Cash flows for operating activities:		
Net loss	0	($7,356)
Adjustments to reconcile net loss to net cash used by operating activities:		
Increase (Decrease) in accounts payable	0	$1,563
Net Cash used by operating activities:	0	$5,793
Cash flows from financing activities:		
Proceeds from capital contributions	0	0
Net cash provided by financing activities	0	0
Net increase (decrease) in cash	0	($5,793)
Cash at beginning of period	$428	$6,221
Cash at end of period	$428	$428

The accompanying notes are an integral part
of these financial statements

BRIAN CAPITAL, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' EQUITY
for the three months ended January 31, 1992
and the year ended October 31, 1991

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders' Equity
	Shares	Amount	Capital	Deficit	(Deficit)
Balance at 10-31-90	2,000,000	2,000	$21,937	($22,921)	$1,016
Net loss				0	0
Balance at 1/31/91	2,000,000	2,000	21,937	(22,921)	1,016
Net loss				(7,356)	(7,356)
Balance at 10/31/91	2,000,000	2,000	21,937	(30,277)	(6,340)
Net loss				0	0
Balance at 1/31/92	2,000,000	2,000	$21,937	($30,277)	($6,340)

The accompanying notes are an integral part of these financial statements

BRIAN CAPITAL, INC.

NOTES TO FINANCIAL STATEMENTS

1. Formation of the Company:

The Company was formed on September 28, 1988 and issued 750,000 shares of its common stock to its parent, Surety Capital Corporation, for $750 on November 1, 1988. In June 1989, Surety Capital Corporation distributed these shares as a dividend to its common stockholders. Directors of the Company have contributed $21,937 to defray organizational and administrative costs incurred by the Company. Such costs are expensed as incurred. The Company has been accounted for as a Development Stage Company under Financial Accounting Standards Board Statement No. 7. The Company presently has no credit facilities or identifiable source of additional capital to develop independent business operations.

2. Stock Bonus Plan:

The Company adopted a stock bonus plan, under which it issued a total of 1,250,000 shares of its common stock to officers of the Company as compensation for money paid and services rendered in connection with the formation and operation of the Company. The stock distribution occurred in June 1989. The issuance of such shares to the Company's officers resulted in the recognition of compensation expense of $1,250, which is equal to the value of the shares issued.

Item 2, Managements's Discussion and Analysis of Financial Condition

Financial Condition

The Company is a development stage company with an effective registration statement on file with the Securities and Exchange Commission. The Company has not conducted any business operations as yet. The Company's cash resources and liquidity are extremely limited. The Company has no significant assets to use as collateral to allow it to borrow, and there is no available external funding source other than management of the Company, which has made a commitment to provide $10,000 in further funding. If no combination candidate is found within two years, the Company will likely liquidate. The Company's principal needs for capital are for Securities and Exchange Commission reporting requirements, accounting and professional fees. The Company will also need capital for the search for , investigation of and negotiation with potential acquisition candidates, to the extent this is not paid by management.

The Company's only anticipated source of funds is its management and founders. Management and founders have paid the expenses of organization of the Company and registration of the shares of Common Stock with the Securities and Exchange Commission. Management has also represented to the Company that they will bear their own costs in connection with the search for, investigation of and negotiation with potential acquisition candidates, subject to the ability to request the Company to reimburse out-of-pocket expenses to the extent that there are available funds and subject to the Company's sole discretion. If additional funds are needed for any reason, the Company intends to request that these be paid by founders and management. There can be no assurance that the founders or management will pay these expenses, and if they will not, there can be no assurance that the Company will be able to locate other suitable financing means or that any financing could be consummated on terms acceptable to the Company.

It is the present expectation of the management of the Company that in connection with any such merger or other business combination, management of the Company will be transferred to the new controlling stockholders. The management of the Company intends to negotiate covenants with any such company or controlling stockholders that it/they will use their best efforts to maintain the Company's registration with the Securities and Exchange Commission, and comply with the terms of its Certificate of Incorporation and Bylaws in all respects.

Result of Operations

For the three months period ended January 31, 1992, the Company was in the development stage and did not receive any operating revenues. During this period no expenses were incurred.

The Company has no business and its only activity is to seek a combination with an existing business.

Management believes that the Company's cash on hand, plus $10,000 pledged by management for working capital and interest earnings thereon will be sufficient to meet cash requirements through the remainder of the fiscal year ended October 31, 1992.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Not applicable.

Item 2. Changes in Securities

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

No exhibits are required to be filed as part of this Form 10-Q

(b) Reports of Form 8-K

Not reports on Form 8-K were filed during the three months ended January 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed by the undersigned thereunto duly authorized.

BRIAN CAPITAL, INC.

Date: March 10, 1992

By: David B. Goodnight
David B. Goodnight
President and Chief Executive Officer

And by: G. H. Heinzelmann
G. H. Heinzelmann
Treasurer and Chief Financial Officer